(a) whether Government has scrapped the twenty per cent import duty on crude soyaoil to reduce the prices;

(b) if so, the details thereof;

(c) whether Government has earned the desired results with such decision;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA): (a) and (b) Yes, Sir. After harvesting season of soyabean, in March 2009 it has been observed that the soyabean seeds price and domestic soyabean oil had shown an increase of 54.5% and 24% respectively during December 2008 to February 2009. Taking into account these factors the basic customs duty on crude soyabean oil was reduced from 20% to 'nil' *w.e.f.* 24.03.2009.

(c) to (e) Yes, Sir. The domestic wholesale price of soyabean oil as on 30.06.2009 has declined by 2.97% and 32.54% during last one month and one year respectively.

Incentive package for exporters

†446. SHRI RAJNITI PRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has got a survey conducted on the impact of global recession on the exporters of the country;

(b) whether it is a fact that the export-import balance is unstable despite being provided with an incentive package and exporters are incurring heavy losses; and

(c) if so, whether Government would also provide an effective incentive package for the exporters to help them overcome the effect of recession so as to save them from going bankrupt?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA): (a) and (b) Detailed survey has not been conducted on the impact of global recession on the exporters of the country. However, a sample survey conducted by Department of Commerce (during August, 08 till April, 09) for 648 exporting units for various sectors located across the country revealed loss of export orders to the extent of Rs. 8982 crores. The merchandise export and import figures for 2007-08 and 2008-09 are shown below.

(Figures in US $ Billion)

Year	Export	Import	Trade Balance
2007-2008	162.959	251.654	-88.695
2008-2009	163.132	287.759	-124.627

SOURCE: DGCI&S

†Original notice of the question was received in Hindi

(c) Government has been closely monitoring the situation and has been announcing stimulus packages to revive demand as per the requirement. Stimulus measures announced is at Statement.

Statement

Stimulus package announced by the Government/ RBI

Government announced a number of Stimulus packages including the measures taken by RBI on the fiscal front since last quarter 2008 to address the immediate impact of the Global economic slowdown and its impact on Indian economy. These announcements were brought into action immediately thereafter. Broadly these are:

(A) Measures taken by the Government:

(1) Interest subvention of 2% has been provided, till 30.9.2009, to the following labour intensive sectors for exports:-

Textiles (including Handlooms), Handicrafts, Leather, Gems & Jewellery, Marine Products and SMEs;

(2) Additional funds of Rs. 350 crore provided for Handicraft items etc. in Vishesh Krishi and Gram Udyog Yojana (VKGUY);

(3) Market Linked Focus Product Scheme extended for bicycle parts, Motor Cars and Motor Cycles, Apparels and Clothing accessories, Auto Components etc.for exports from 1.4.09 to 30.09.09;

(4) Rs. 1100 crore provided to ensure full refund of claims of CST / Terminal Excise duty /Duty drawback on deemed exports dispersed to clear the pending claims upto 31.3.09;

(5) Exporter friendly and the popular Duty Neutralisation Scheme *i.e.*, Duty Entitlement Passbook (DEPB) Scheme extended upto 31st December, 2009;

(6) DEPB rates for all items where they were reduced in November, 2008 restored to higher rates from retrospective effect;

(7) Duty Drawback rates on certain items restored to higher rates effective from 1st September, 2008;

(8) DEPB and Freely Transferable Incentive Schemes allowed without the initial requirement of Bank Realisation Certificate (BRC);

(9) Back-up guarantee made available to ECGC to the extent of Rs. 350 crore to enable it to provide guarantees for exports to difficult markets / products. ECGC is now been able to widen its coverage;

(10) Additional funds of Rs. 1400 crore provided for textile sector to the Ministry of Textiles to clear the backlog claims of Technology Upgradation Fund (TUF);

(11) Export duty on iron ore fines eliminated, and for lumps, reduced to 5%;

(12) Some pending issues relating to Service Tax refund on exports—resolved. However many issues remain un resolved;

(13) For Fast Track Resolution of a number of procedural issues thereby reducing delays for the exporters, a Committee constituted under the Chairmanship of Finance Secretary including Secretaries of Department of Revenue and Commerce; A No. of issues sorted out accordingly;

(14) Excise duty reduced across the board by 4 per cent for all products except petroleum products and those products where current rate was less than 4%; Further, Excise Duty was further reduced by another 2% in certain products like Leather etc.;

(15) The guarantee cover under Credit Guarantee Scheme for Micro and Small Enterprises on loans doubled to Rs. 1 crore with a guarantee cover of 50%. The guarantee cover extended by Credit Guarantee Fund Trust increased to 85% for credit facility upto Rs. 5 lakh. The lock-in period for such collateral-free loans reduced.

(16) Import duty on naphtha for power sector eliminated;

(17) CVD on TMT bars and structural and on cement removed;

(18) Exemption from basic customs duty on Zinc and Ferro Alloys withdrawn;

(19) Regular monitoring mechanism:

(a) The situation is being regularly monitored at the highest level of Government, so that immediate further corrective measures, can be taken as may be required. In this regard, the Government has constituted the following two High Level Committees which have been deliberating the issue on regular basis:

(i) An Apex Group chaired by Prime Minister with Finance Minister, Commerce Minister, Deputy Chairman (Planning Commission), RBI Governor;

(ii) Committee of officers chaired by Cabinet Secretary, including Finance Secretary, Commerce Secretary, Secretary(DIPP), Secretary (Planning Commission)- to meet regularly to look into the suggestions made by Trade and Industry and the respective Administrative Ministries in respect of the current global economic and financial crisis and to recommend action to the Apex Group.

(b) Department of MSME and Department of Financial Services to jointly monitor on the progress of the meetings of Monthly meeting of State level Bankers' Committee for resolution of credit issues of MSME.

(B) **Measures taken by RBI:**

1. **Increase in Liquidity to the banks for improving credit flow, by:**

   (i) Reducing CRR, SLR, Repo rate and Reverse Repo rate (from Oct '08, CRR reduced from 9% to 5%, SLR reduced from 25% to 24%, Repo Rate reduced from 7.5% to 4.75%, and Reverse Repo Rate reduced from 6% to 3.25%);

   (ii) Refinance facility to the EXIM Bank for an amount of Rs. 5000 crores for providing pre-shipment and post-shipment credit in Rs. or dollars;

   (iii) A special re-finance facility has been put in place for banks for the purpose of extending finance to exports, micro and small enterprises, mutual funds and NBFCs. Provisioning requirements have been lowered. Export Credit Refinance facility for commercial banks increased to 50% of the outstanding Rupee Export Credit.

2. **Increase in FOREX Liquidity:**

   (i) RBIs assurance for continued selling of foreign exchange (US $) through banks, to augment supply in the domestic foreign exchange market;

   (ii) Ceiling rates on export credit in foreign currency has been raised to LIBOR + 350 basis points subject to the condition that the banks will not levy any other charges, i.e., service charge, management charge, etc. except for recovery towards out of pocket expenses incurred.

   (iii) RBI decided to provide FOREX liquidity to Indian Public and Private Sector Banks upto June 30, 2009, through forex swaps of tenure upto 3 months.

3. **Easing of Credit Terms:**

   (i) The period of pre-shipment and post-shipment Rupee Export Credit enhanced by 90 days each;

   (ii) Time period of export realization for non-status holder exporters increased to 12 months, at par with the Status holders. This facility which was available upto 3.6.09, has been extended for one more year.

   (iii) PSU Banks consequent to measures announced by RBI reduced the margin money on Guarantees for export units.

Trade through Wagah Border

447. SHRI DHARAM PAL SABHARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of import/export of various items through Wagah Border in Punjab;

(b) the estimated value of imports and exports between India and Pakistan through Wagah Border during the last one year, itemwise; and